



Indiana Economic Development Corporation

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March 27, 2007

Meggan J. R. Brumbaugh
Indiana Department of Insurance
Legal Services Division

Dear Ms. Brumbaugh:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with rule changes proposed by the Indiana Department of Insurance ("IDOI") and contained in LSA Document 06-491, which adds 760 IAC 1-74. The proposed rule recognizes, permits, and prescribes the use of mortality tables that reflect differences in mortality between preferred and standard lives in determining minimum reserve liabilities. The rule will impact life insurance companies. There are 43 Indiana domestic life insurance companies. The IDOI expects that, at the most, 18 of these companies may be classified as small businesses.

The impact statement prepared by IDOI indicates that the proposed rule changes do not impose any additional administrative costs on affected entities and that the rule could result in a net cost savings for affected entities by allowing a more realistic reserve to be held for life insurance policies. The IEDC does not object to the economic impact reflected in the proposed rule changes.

If you have any questions about the comments contained herein please contact me at 232-8962 or rasberry@iedc.in.gov.

Regards,

A handwritten signature in black ink, appearing to read "Ryan Asberry", with a long horizontal flourish extending to the right.

Ryan Asberry
Director – Research
Indiana Economic Development Corporation